



Leicester  
City Council

## MINUTE EXTRACT

## APPENDIX A

### Minutes of the Meeting of the CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE

Held: MONDAY, 28 FEBRUARY 2011 at 5.30 pm

### PRESENT

Councillor Corrall – Chair  
Councillor Senior – Vice-Chair

Councillor Cleaver  
Councillor Mugglestone  
Councillor Potter

### Co-opted Members

Mr Mohammed  
Alauddin Al-Azad - Parent Governor (Primary /Special Needs)

### Also In Attendance

Councillor Dempster - Cabinet Lead Member for Children and  
Schools

\* \* \* \* \*

## 78. CONSIDERATION OF ITEMS AS URGENT BUSINESS

The Chair advised Members that, due to printing and distribution problems, the agenda for this meeting had not been published within the right time frame to enable the meeting to be formally constituted. He therefore had agreed that all of the items on the agenda should be taken as urgent items and asked the Committee to endorse this decision.

### RESOLVED:

that all of the items on the agenda for this meeting be taken as urgent items, so that:-

- the general business of the Committee is not delayed;
- where appropriate, the Committee's views can be passed to Cabinet before it considers the relevant items; and

- the review of school meals can be completed in time for a final report to be made before the end of the municipal year.

#### **79. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr E Hayes (Roman Catholic Diocese) and Mary Lawson (Church of England Diocese).

#### **80. DECLARATIONS OF INTEREST**

Members were asked to declare any interests they had in the business on the agenda, and/or indicate that Section 106 of the Local Government Finance Act 1992 applied to them.

Councillor Potter declared a personal non-prejudicial interest in the general business of the meeting, as she had a child in full time education in the City.

Councillor Senior declared a personal non-prejudicial interest in the general business of the meeting, as her husband was an employee of the City Council, although not in Children's Services or City Catering.

#### **84. SCHOOLS BUDGET STRATEGY 2011-12**

The Strategic Director, Children submitted a report explaining the determination and distribution of the Schools Budget for 2011/12, Pupil Premium funding and proposed changes to the local formula for funding schools.

The Divisional Director, Planning and Commissioning introduced the report, drawing particular attention to:-

- The Dedicated Schools Grant (DSG) had been subject to various technical changes and now contained a number of grants that previously had been paid as separate ring fenced grants;
- The Council was required to distribute the DSG by means of a formula agreed by the Council in consultation with the Schools Forum;
- Individual school budgets for 2011/12 needed to be issued by 31 March 2011. These would be set in relation to confirmed pupil numbers and a range of technical issues. Work on these was under way;
- The proposed approach had been discussed with the Schools Forum, which had set up a Formula Funding Working Group to consider the matter more fully. This had already met and agreed a number of planning principles contained within the report;
- In 2011/12, DSG would increase to £240 million, from its current level of £200 million. This was mainly due to the inclusion of previously ring-fenced grants, although not all grants were continuing. In addition, no allowance had been made for inflation or other cost pressures, which it

was estimated could run at 3%;

- As a result of the changes proposed, it was anticipated that there would be a real term reduction of approximately 5% in spending power at school level. This would be partly offset in some schools by the Pupil Premium, details of which were set out in the report;
- With the introduction of an Early Years Single Funding Formula from 1 April 2011, funding for schools and educational settings now had to be based on actual pupil numbers, rather than the number of places available. This would be paid at the start of the school year, allowing schools to plan more effectively; and
- A new funding methodology was being introduced to support schools with the greatest pupil mobility. This was likely to be targeted to schools in the top 20% nationally for pupil mobility, rather than distributing it more evenly across all schools. This approach had been welcomed by the Schools Forum.

During discussion on this report, Councillor Potter reminded Members of the interest she had declared in relation to her child, who was in full-time education in the City. She then made the following points:-

- The approach proposed could result in some schools gaining and some losing. For example, if a school had falling pupil numbers its funding also would fall;
- Students aged over 16 had to pay full fare on public transport, which could be expensive. This could be a significant factor in determining whether they continued in education;
- It was pleasing to see the special educational needs services being provided;
- If a school had surplus funds at the end of a school year, did these have to be returned to the education authority?; and
- How could students be encouraged to undertake further education if they had limited funds?

In reply, the Divisional Director, Planning and Commissioning explained that:-

- If there were sufficient funds available under the new funding formula, intervention funds would be established for dealing with exceptional pressures and/or schools in financial difficulties. A final decision on whether this could be done would be made after the first allocation of funding had been completed. However, the Schools Budget itself also contained a number of agreed transitional measures designed to mitigate impact in schools that would be receiving less income as a result of the formula changes;

- It was proposed that individual schools' losses would be capped at no more than 1.5% per pupil, as set out in national regulations. The transitional protection for specific changes would, in some instances, be financed by limiting the money given to schools who would be gaining from the proposed formula changes;
- No changes currently were being proposed to the Council's home to school transport policies, but there were no funds available to extend this discretionary provision. The Education Maintenance Allowance, which many students used to pay travel costs, was being replaced by the Learning Support Fund. This would be held by schools and colleges, but it was not known at present if this could be spent on travel;
- Officers were not aware of any changes in capacity being proposed for 16 – 18 education provision;
- It had been agreed that cash allocations for schools in relation to special educational needs would be kept at their 2010/11 level, with additional funding for specific growth issues funded through increased delegation, as detailed in the report; and
- Under the Schools Balances Control Scheme, primary schools were able to keep 8% of their surpluses and secondary schools were able to keep 5% of theirs. In practice, there was an agreement that the commitments and challenges facing a school would be considered before a decision was made on how much would be clawed back from that school. Schools Forum had agreed that any amounts returned under this procedure would be spent on strategic matters, (for example, reading), rather than simply redistributed by Formula. As a result of proposed government changes, the views of schools were being sought on whether this scheme should continue in to the next academic year.

The Committee suggested that the review it was undertaking on school meals was very timely, as schools needed to encourage their students to register for free school meals in order that the schools could receive the maximum Pupil Premium payments possible. It was noted that Heads of schools fully understood the benefits of such registration and work would continue during the year to maintain awareness of this.

Pupil Premium payments would be made based on free school meal registration, in accordance with national regulations. The Premium did not take account of any other deprivation measures. However, the Council encouraged schools to maximise the amount received under this funding, by ensuring that entitled pupils were registered for free school meals. Pupils could be registered at any point during the year, although the Pupil Premium entitlement was determined by the number of registrations on the January school census day.

Examples of good practice in addressing issues arising from deprivation would

be shared and schools encouraged to adopt them. For example, Taylor Road Primary School was cited as a centre of excellence for breakfast clubs and the model used could usefully be shared with other schools. This also could be included as a recommendation arising from the current review of school meals, (see minute 85, "School Meals Review", below).

The Extended Schools Subsidy currently was used to provide services such as breakfast clubs and it was hoped that there would be greater flexibility in the future in how this money was spent. For example, there could be many benefits for schools in providing meals throughout the day. This also could be added to the recommendations arising from of the current review of school meals.

In considering the unfunded pressures identified, the Committee noted that City Learning Centres were funded through the Area Based Grant until 31<sup>st</sup> March 2011 and that there was insufficient funding available to be able to support them from the General Fund. The Schools Forum was concerned about this and had set up a Working Group to consider the matter further. In the meantime, proposals were expected to "top-slice" the Schools Budget to provide funding for City Learning Centres until conclusions had been reached on their longer term usage and funding.

It was noted that, if pupils moved schools during an academic year, payments under the Pupil Premium would not move with that pupil, as funding would be calculated on the number of pupils at a school when the January census was completed. Schools with a high level of pupil mobility would be eligible for additional funding and schools could also bid for additional funding during the year in exceptional circumstances.

In response to a question, it was noted that the Council had approximately five times as many primary schools as secondary schools. Funding within the £500,000 Pupil Mobility budget would be allocated between primary and secondary schools based on actual mobility levels and reflected these proportions.

**RESOLVED:**

- 1) that the proposed Schools Budget Strategy for 2011/12 be noted and the recommendations to Cabinet endorsed; and
- 2) that, in considering the proposed Schools Budget Strategy for 2011/12, the Cabinet be requested to take account of the comments recorded above.